



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

RQ-2

Glen O'Connell, Treasurer
South Carolina Republican Party
1508 Lady Street
Columbia, SC 29201

NOV 06 2002

Identification Number: C00034033

Reference: 12 Day Pre-Primary Report (4/1/02-5/22/02)

Dear Mr. O'Connell:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule B of your report (pertinent portion(s) attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(a) prohibits a multicandidate committee and its affiliates from making a contribution to a candidate for federal office in excess of \$5,000 per election.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If any contribution you made exceeds the limits, you must request a refund of the excessive amount or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund of the excessive amount.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund or redesignation request sent

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to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

Although the Commission may take further legal action regarding the excessive contribution(s), your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

-The totals listed on Lines 6(c), 11(a)(iii), 11(d), 19, and 20, Column B of the Detailed Summary Page(s) appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals. Please amend your report and any subsequent reports that may be affected by this correction.

-Your calculations for Line 8 appear to be incorrect. Cash-on-hand at the close of the current reporting period should always equal the closing calendar year-to-date cash-on-hand amount. Please provide the corrected total on the Summary Page.

-Your report discloses no payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment, and supplies. Any such payments must be disclosed on Schedule(s) B supporting Line 21(b) of the Detailed Summary Page, or on Schedule H4 supporting Line 21(a) in the event that the expense was allocable. 2 U.S.C. §434(b)(5) In addition, if these expenses have been incurred but not paid in a reporting period, the activity should be disclosed as a debt on Schedule D, if the obligation is \$500 or more, or outstanding for sixty days or more. 31 CFR §104.11

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the

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non-election year. Please verify that all expenses referenced above (i.e., rent, salaries, utilities, etc.) have been adequately disclosed. If these services have been provided by volunteers, please confirm this in writing.

-A political committee that has established a federal account and a non-federal account must allocate between its federal and non-federal accounts all expenses for administrative costs, generic voter drives, and fundraising programs or events. 11 CFR §106.5(b)(2)

Party committees must allocate any administrative expenses between the federal and non-federal accounts in proportion to the ballot composition method derived from FEC Schedule H1. 11 CFR §106.5

Schedule H2 is used by all political committees to report the allocation ratios of their joint federal and non-federal fundraising events and direct candidate support programs.

Schedules H1 and H2 of your report disclose categories of activity as being 100% federal fundraising does not fall within the definition of an allocable expense. Please note that any activity which is exclusively federal should be reported on line 21(b).

Please clarify the procedures you are currently using to allocate shared activity. The Commission recommends that you take steps to correct any non-compliance with the regulations. Also, your committee should establish procedures to ensure future compliance with the allocation regulations.

-Schedule H2 of your report indicates that your committee participated in fundraising activities or events during the reporting period. However, there are no corresponding disbursements reflected on your Schedule H4. Note that you need not include activities on Schedule H2 if there are no corresponding payments made for the activity during the reporting period. If any disbursements were incorrectly reported, you should file an amended Schedule H4 with the correct unique identifying code or title, or provide clarifying information regarding the activities on Schedule H2.

-Your report discloses a category of financial activity that appears to have been reflected on the incorrect line of the Detailed Summary Page. Schedule A supporting Line 17 reflects receipts from individuals that appear to be individual contributions. Please amend your reports by

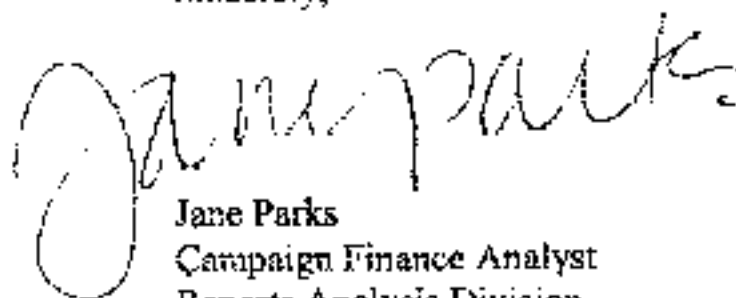
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clarifying the purpose of these receipts. Please be advised, contributions from individuals should be properly reported on Line 11(a)(i) of the Detailed Summary Page. Please refer to the instructions contained on the forms to determine the proper categorization when preparing your next filing.

-Please confirm that the amount listed on Line 21(b) represents a 100% payment, from the federal account, of the total cost of each individual expenditure.

A response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Jane Parks
Campaign Finance Analyst
Reports Analysis Division

SCHEDULE B (FEC Form 3X)
ITEMIZED DISBURSEMENTS

 Use separate schedule(s)
 for each category of the
 Detailed Summary Page

 FOR LINE NUMBER:
 (check only one)

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<input checked="" type="checkbox"/> 21b	<input type="checkbox"/> 22	<input type="checkbox"/> 23	<input type="checkbox"/> 24	<input type="checkbox"/> 25
<input type="checkbox"/> 26	<input type="checkbox"/> 27	<input type="checkbox"/> 28a	<input type="checkbox"/> 28b	<input type="checkbox"/> 28c
<input type="checkbox"/> 29				

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

South Carolina Republican Party

Full Name (Last, First, Middle Initial)

A. National Media

Date of Disbursement

04 / 25 / 2002

Mailing Address

211 North Union Street

Suite 200

City

Alexandria

State

VA

Zip Code

22314-

Amount of Each Disbursement this Period

30625.00

Purpose of Disbursement

CANDIDATES SERVICE GRAHAM

Candidate Name

Category/
Type

CANDIDATES SERVICE GRAHAM

Office Sought:

House

Senate

President

Disbursement For:

Primary

General

Other (specify) ▼

State:

District:

Transaction ID: 0722200226E4111

Full Name (Last, First, Middle Initial)

B. National Media

Date of Disbursement

05 / 09 / 2002

Mailing Address

211 North Union Street

Suite 200

City

Alexandria

State

VA

Zip Code

22314-

Amount of Each Disbursement this Period

30625.00

Purpose of Disbursement

CANDIDATE SERVICE GRAHAM

Candidate Name

Category/
Type

CANDIDATE SERVICE GRAHAM

Office Sought:

House

Senate

President

Disbursement For:

Primary

General

Other (specify) ▼

State:

District:

Transaction ID: 0722200226E4112

Full Name (Last, First, Middle Initial)

C. Olsen & Dellai

Date of Disbursement

05 / 17 / 2002

Mailing Address

1809 SHOAL CREEK BLVD

203

City

Austin

State

TX

Zip Code

78701-

Amount of Each Disbursement this Period

5127.12

Purpose of Disbursement

FUNDRAISING EVENT

Candidate Name

Category/
Type

FUNDRAISING EVENT

Office Sought:

House

Senate

President

Disbursement For:

Primary

General

Other (specify) ▼

State:

District:

Transaction ID: 0722200226E4123

SUBTOTAL of Disbursements This Page (optional) ...

65377.12

TOTAL This Period (list page this line number only) ...

22037834265